

Economic Forecast FY 2015 2nd Quarter

Office of
Management
and Budget

What the experts are saying...

“Several signs point to peppier growth, but the pace may lag behind earlier forecasts. We still see GDP expanding at about a 2.6% clip for the year. But a slower showing, largely as a result of sluggishness in early months, can’t be ruled out. Next year, growth of 2.8% or better is a good bet.

The Kiplinger Letter, May 15, 2015

“Texas’ job forecast for 2015 was revised to 1–2 percent, down from its previous range of 2–2.5 percent, suggesting that Texas’ economy will continue to expand but at a slower pace than in 2014.”

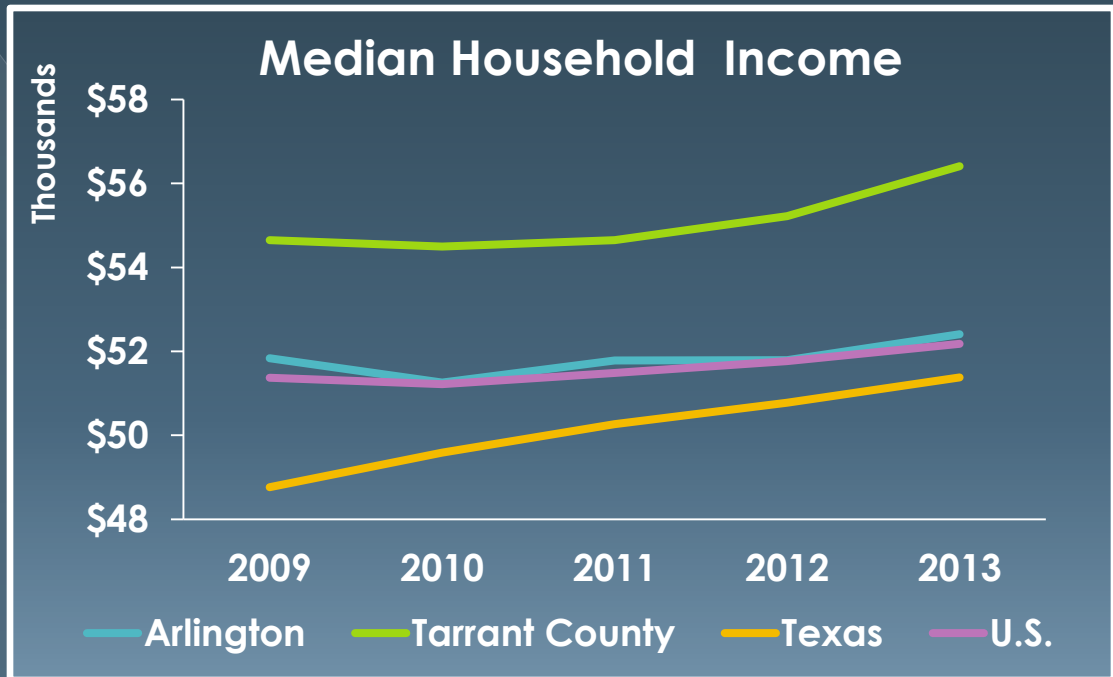
Regional Economic Update, Federal Reserve Bank of Dallas, March 19, 2015

(<http://www.dallasfed.org/assets/documents/research/update/reg/2015/1502.pdf>)

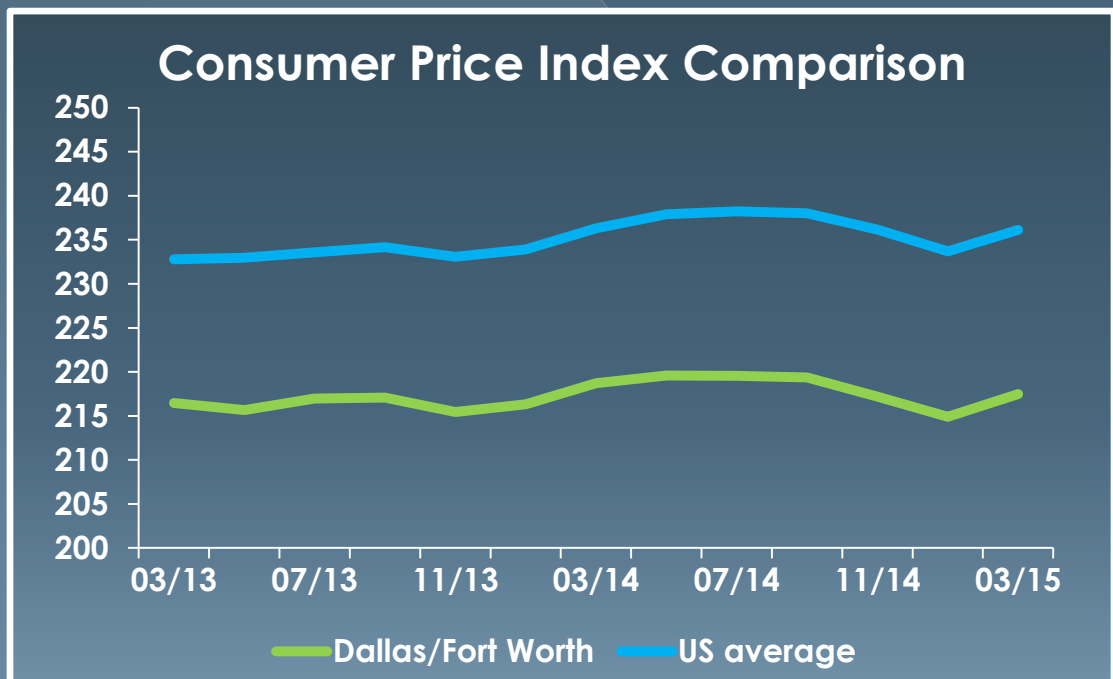
“In the South, diversification will ease the pain of a drop-off in some sectors. Prime example: Texas. About 20% of GDP is tied to slumping oil and gas, but other industries are taking up the slack. Austin is a major technology hub. Dallas-Fort Worth is a magnet for health care, defense and transportation firms. GDP growth will drop to 3% this year, from 2014’s 3.7%, but payrolls will rise by 2.2%.”

The Kiplinger Letter, May 15, 2015

Household Indicators

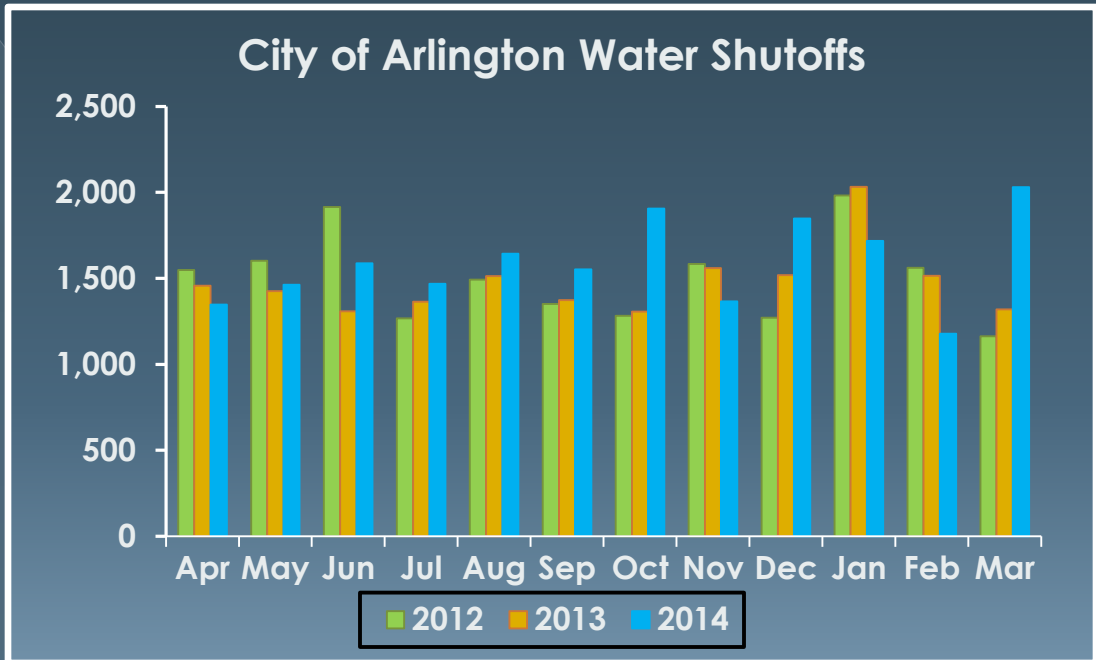


Median earnings of households in Arlington has risen from \$51,838 in 2009 to \$52,407 in 2013.

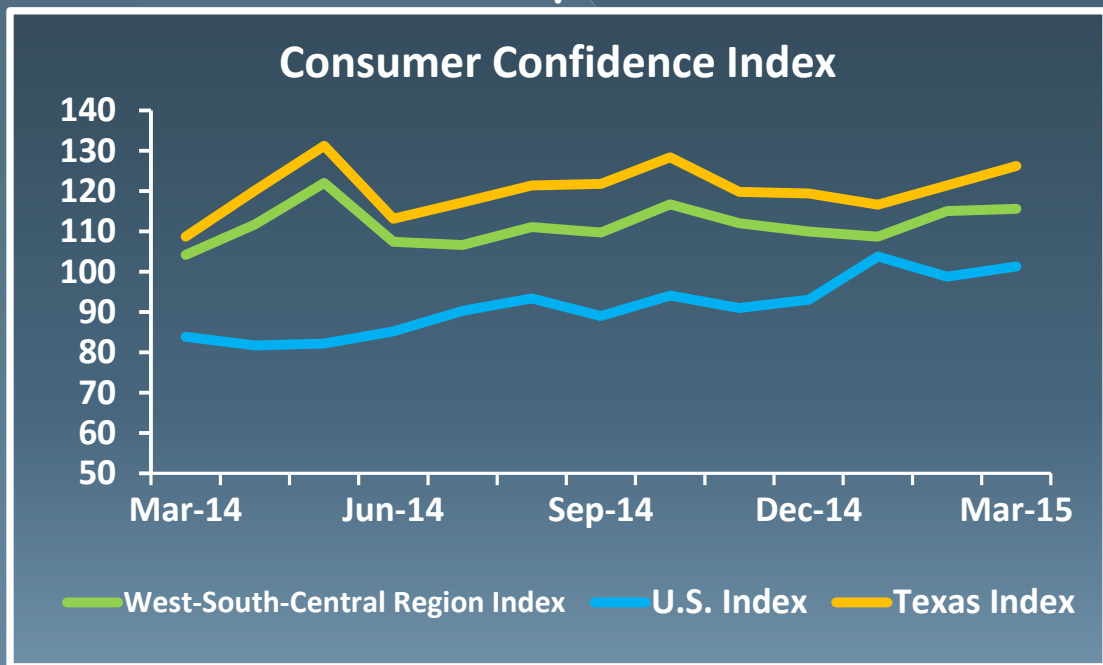


The U.S. average CPI fell from 236.3 in March 2014 to 236.1 in March 2015, while the D/FW average fell from 218.7 to 218.5.

Household Indicators

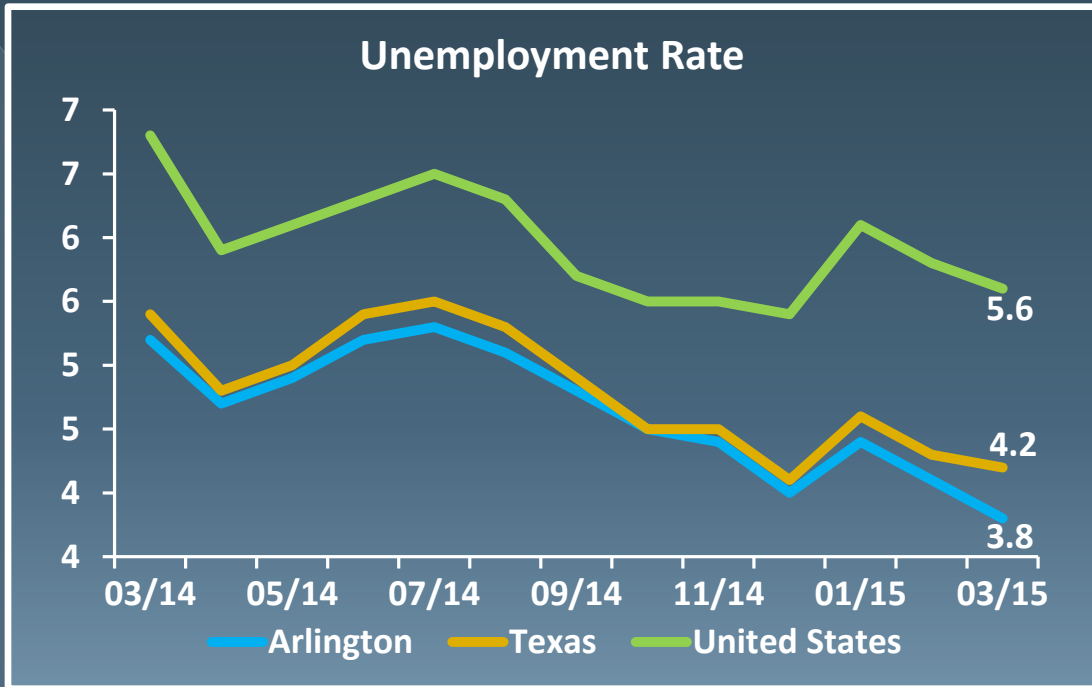


The number of monthly water shutoffs in March 2015 was 2,031, up from 1,448 in December 2014.

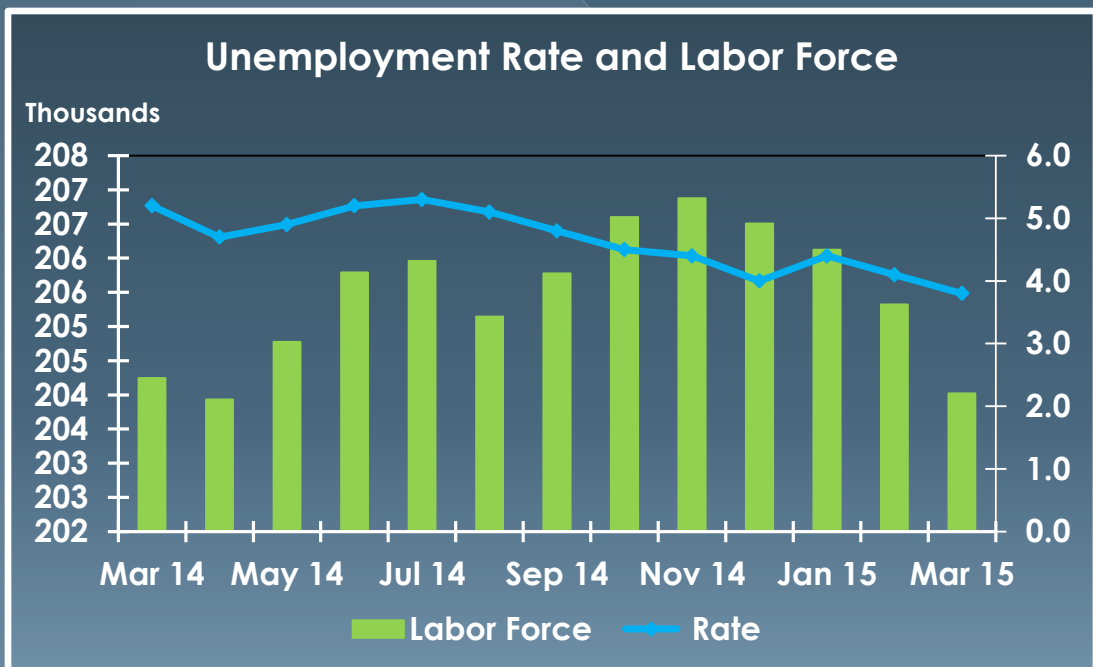


The Consumer Confidence Index for Texas for March 2015 is 126.2, up 16.1% from 108.7 in March 2014.

Labor Indicators

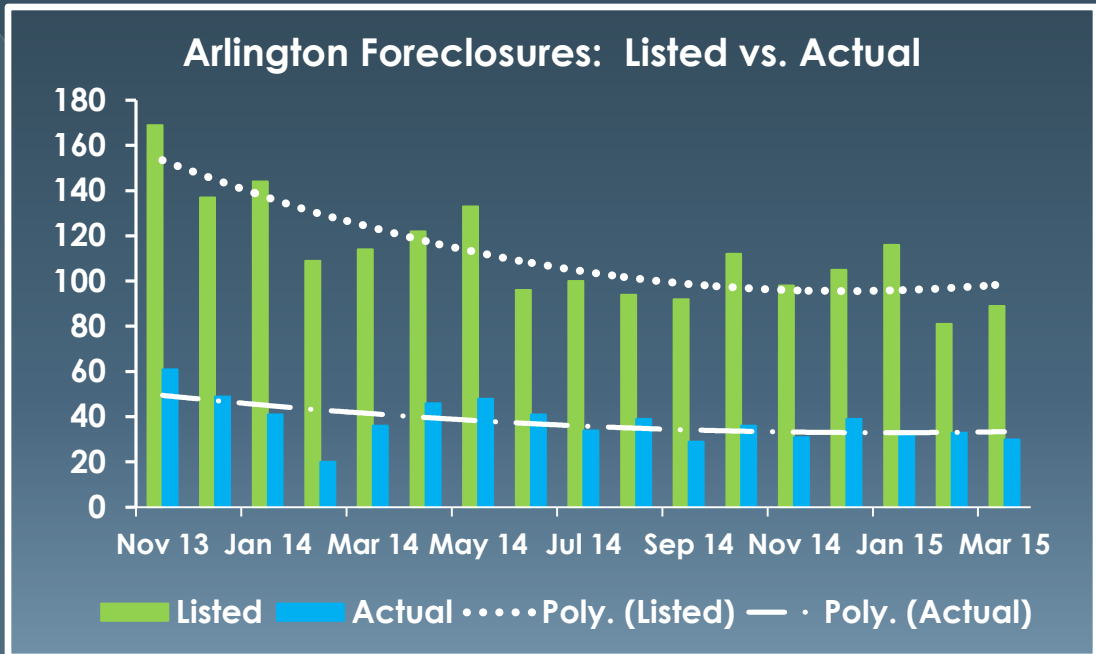


The unemployment rate in Arlington for March 2015 was 3.8%, down from 5.2% in March 2014.

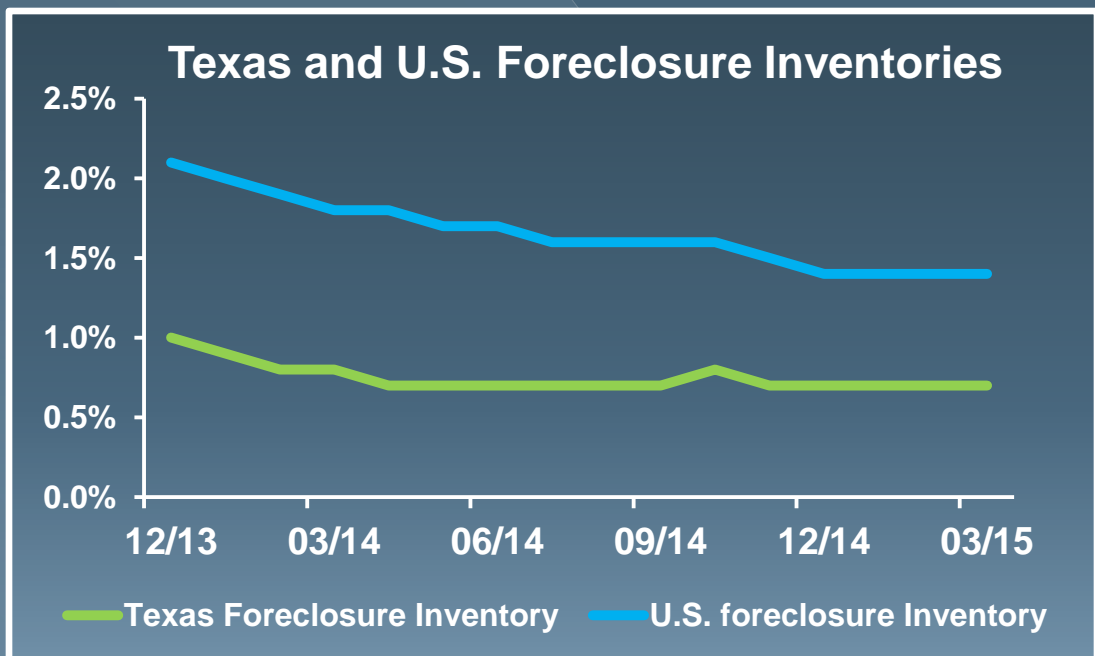


The Labor Force included 204,023 persons in Arlington in March 2015. This is a slight decrease from March 2014, when the labor force was 204,247.

Housing Indicators

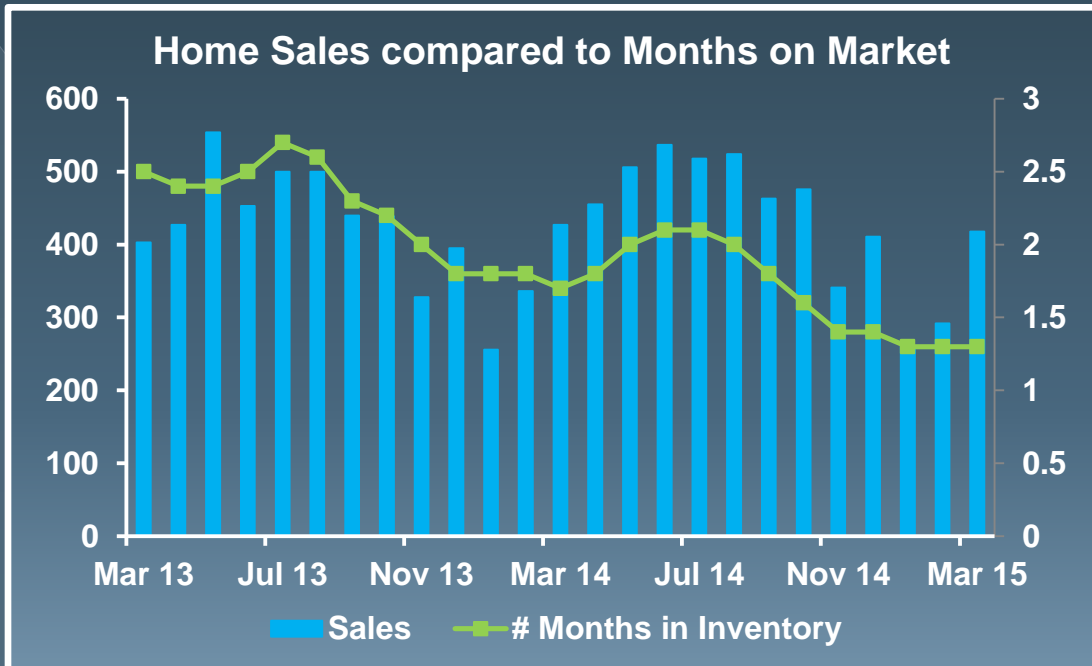


In March 2015, there were 89 foreclosures listed in Arlington, with 30 actual foreclosures.

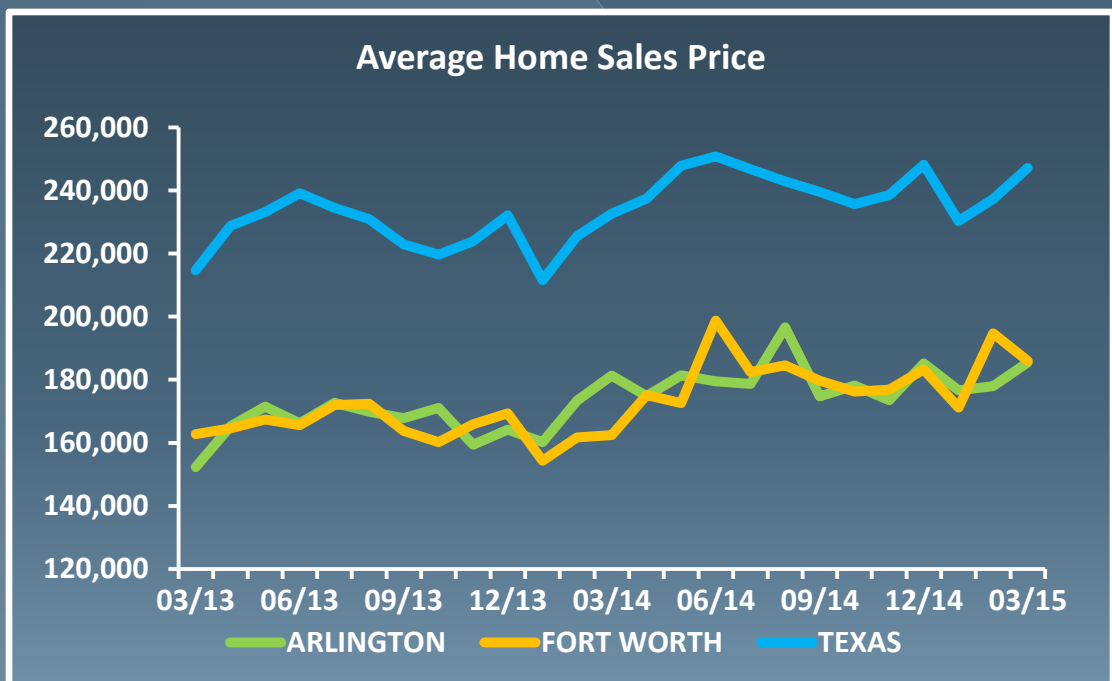


Nationally, 1.4% of homes with a mortgage were in foreclosure during March 2015, while only 0.7% of mortgaged homes in Texas were in foreclosure during March 2015.

Real Estate Indicators

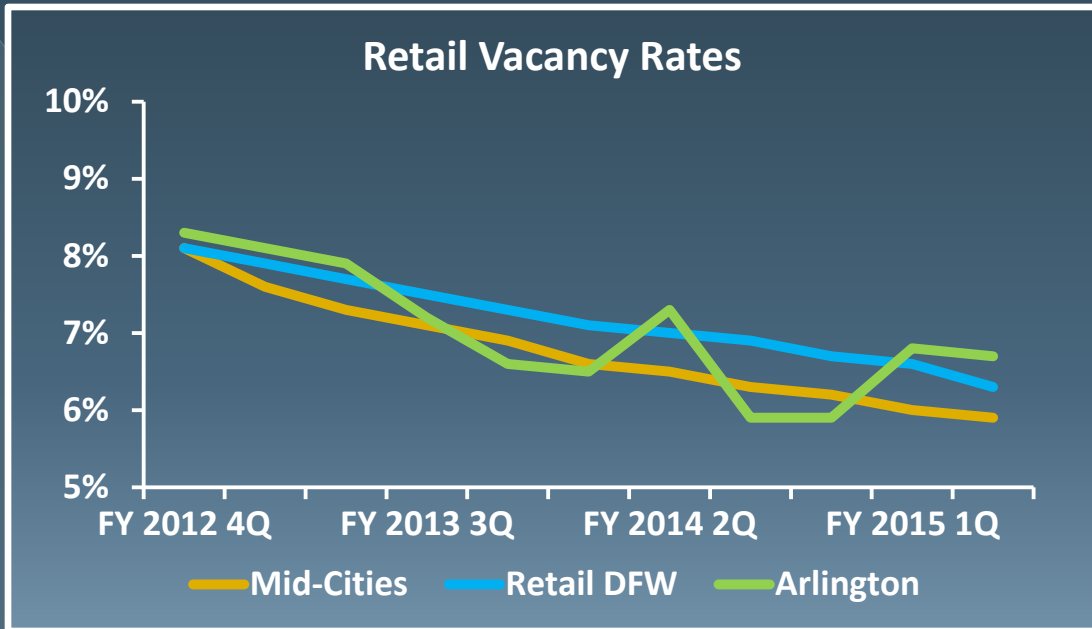


In March 2015, the average time a home in Arlington stayed on the market was 1.3 months, compared to 1.7 months in March 2014.

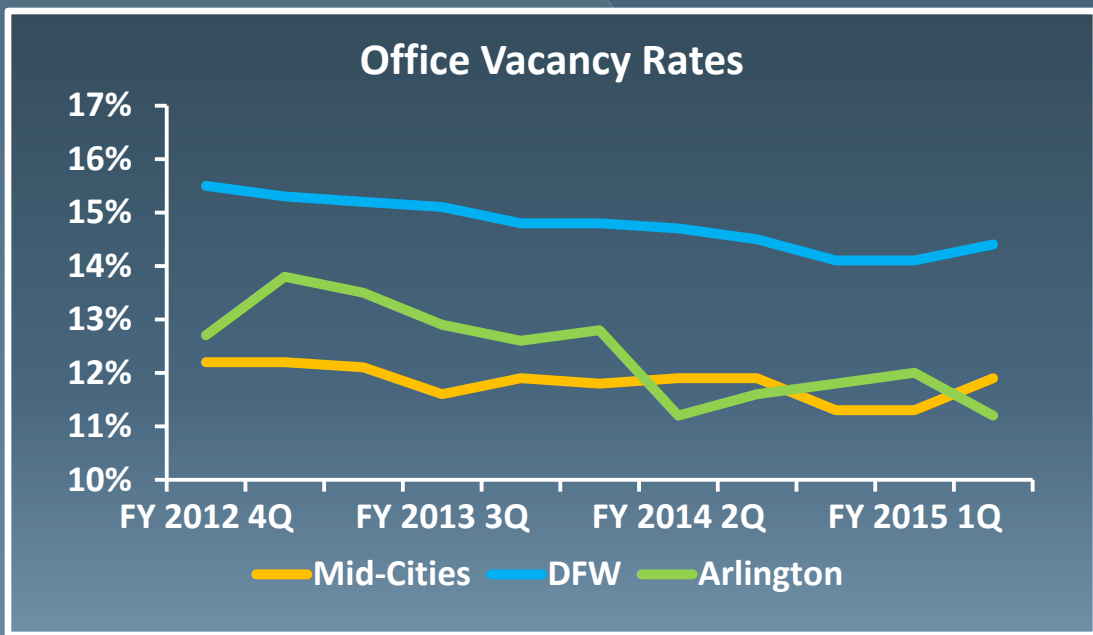


Average sale price for homes in Arlington in March 2015 was \$185,500. This is up from March 2014, when the average sale price was \$181,300.

Real Estate Indicators

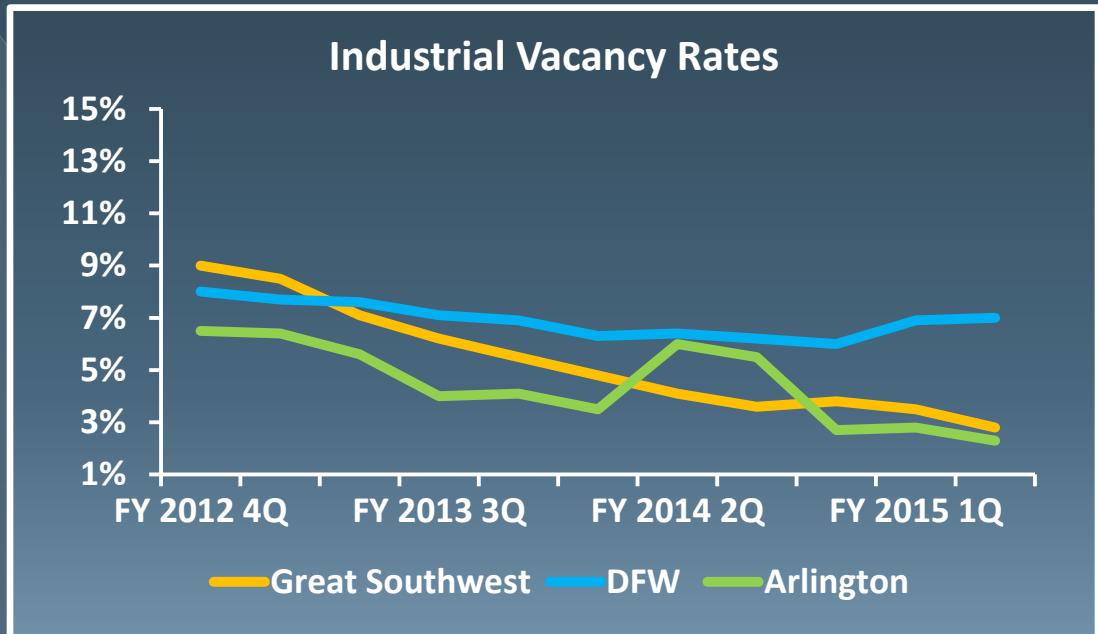


The vacancy rate for retail space in Arlington was 6.7% in the second quarter of FY 2015, down from 7.3% in the second quarter of FY 2014, and down from 6.8% in the first quarter of FY 2015.

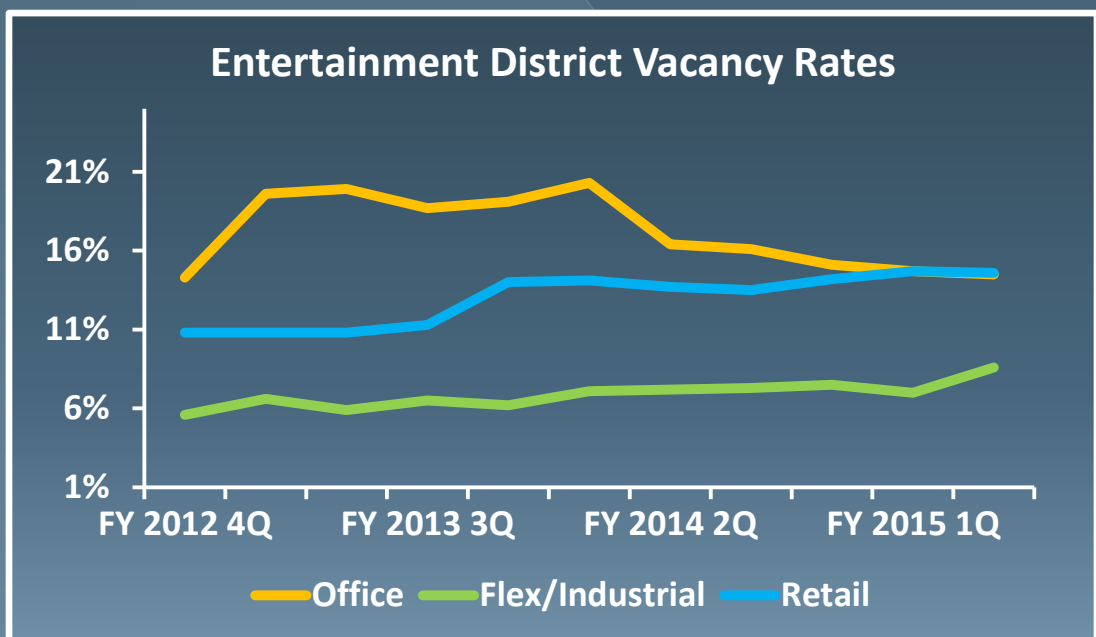


The vacancy rate for office space in Arlington was 10.7% in the second quarter of FY 2015, up from 10.5% in the second quarter of FY 2014, but down from 11.5% in the first quarter of FY 2015.

Real Estate Indicators

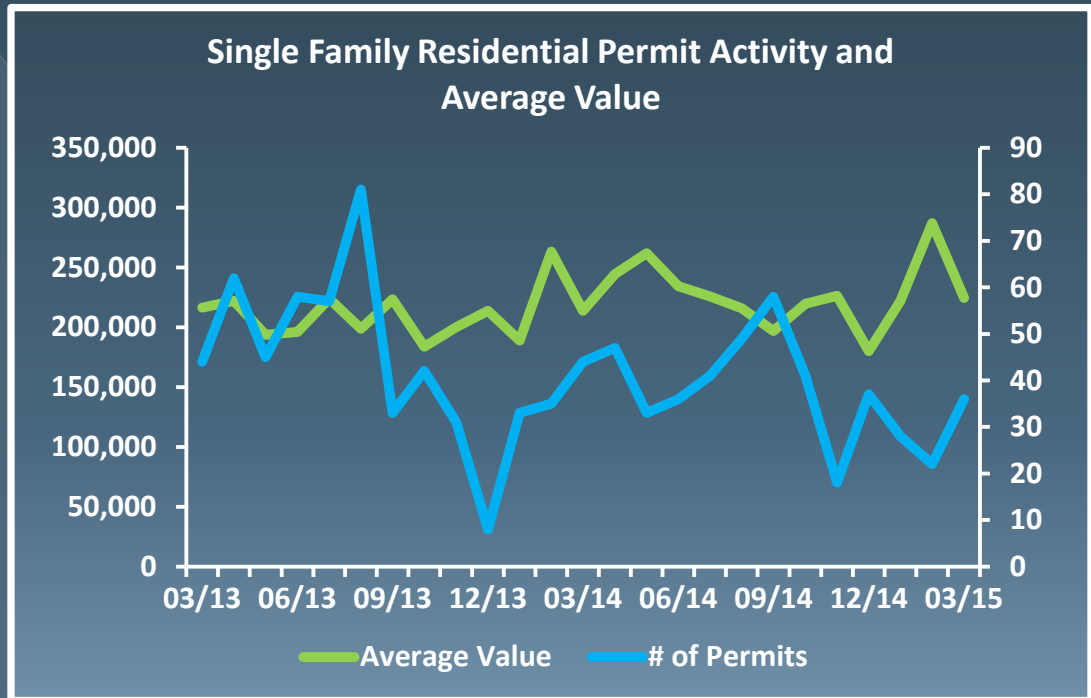


The vacancy rate for industrial space in Arlington was 2.3% in the second quarter of FY 2015, down from 6.0% in the second quarter of FY 2014, and down from 2.8% in the second quarter of FY 2014.

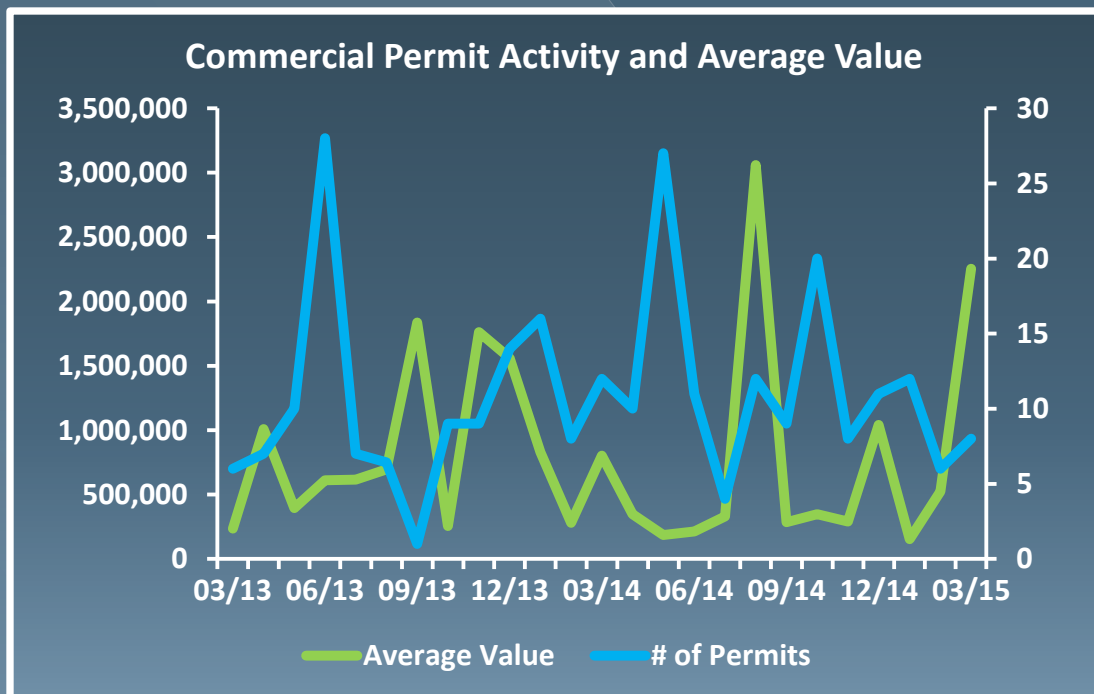


The vacancy rates for the Entertainment District in the second quarter of FY 2015 were 14.5% for office, 8.6% for industrial, and 14.6% for retail.

Construction Indicators

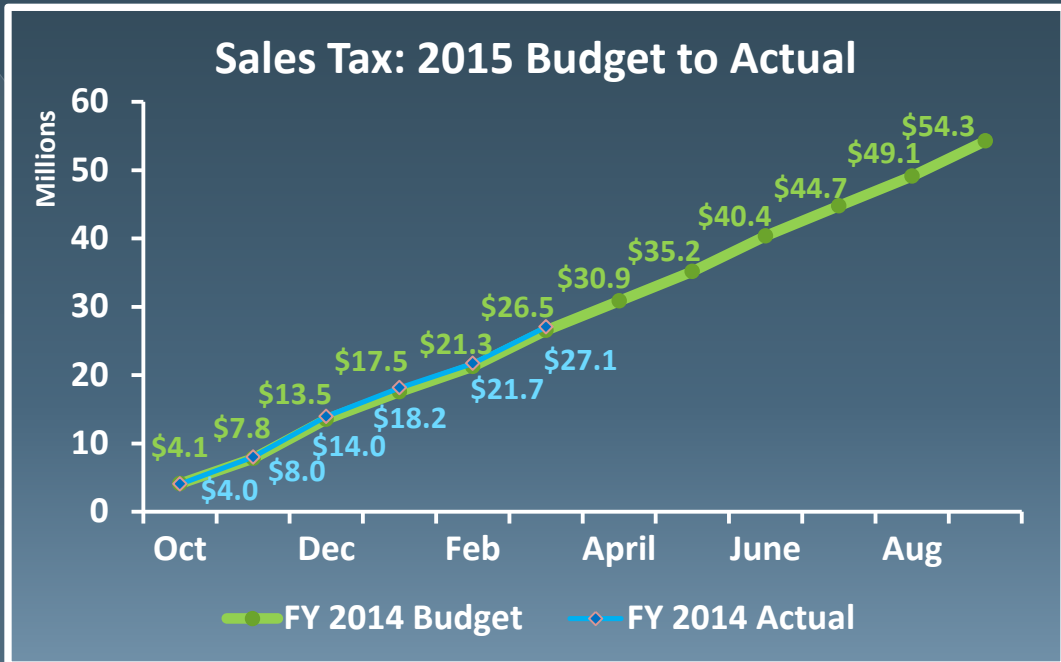


The average value of Single Family Residential Permits was \$217,236 in March 2015.

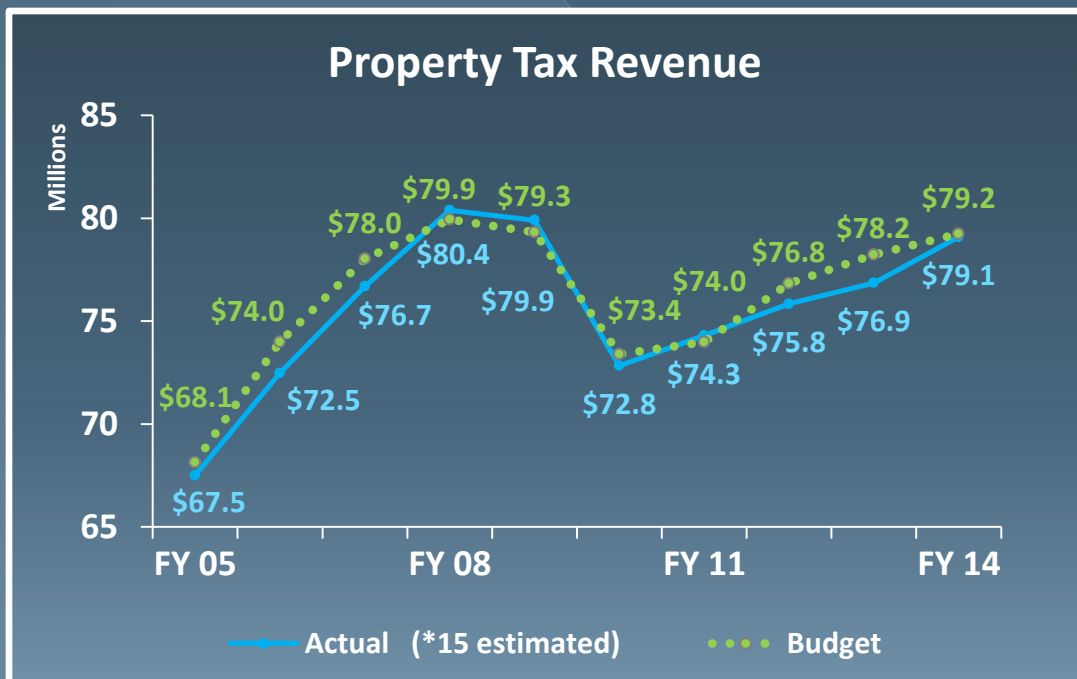


The average value of Commercial Permits was \$1,036,311 in March 2015.

Revenue Indicators

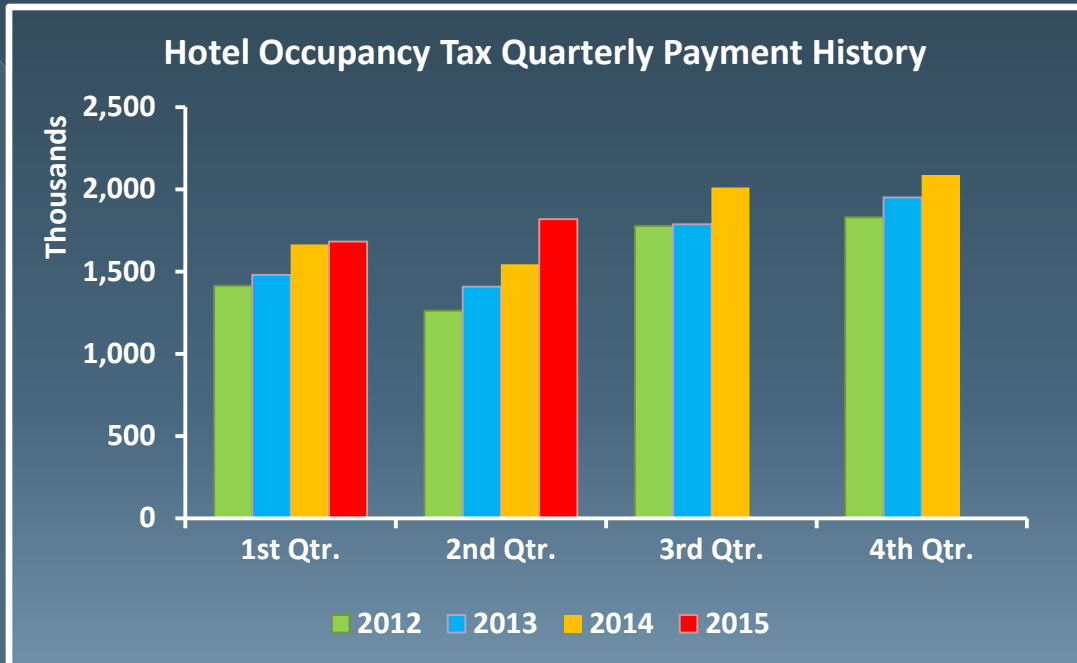


Through March 2015, receipts are \$27,053,745 or 1.9%, above the budgeted amount of \$26,549,175.

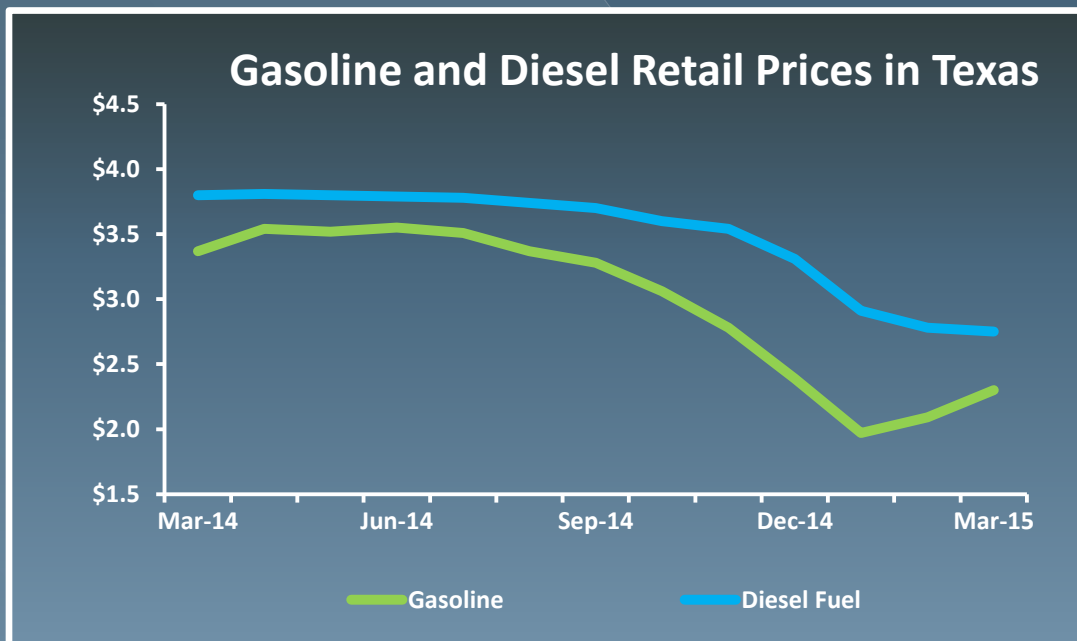


The City's property tax collections for FY 2015 are projected to reach \$79,088,270, or 99.8% of the budgeted amount of \$79,236,434.

Revenue Indicators



FY 2015 second quarter Hotel Occupancy Tax revenues were \$1,818,473, up 17.7% from \$1,544,595 during the first quarter of FY 2014.



The average price of gasoline in Texas during March 2015 was \$2.30 per gallon, down 31.8% from \$3.37 per gallon in March 2014.

Notes